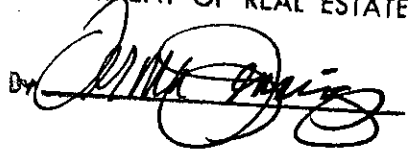


1 Department of Real Estate  
2 320 West Fourth Street, Ste. 350  
3 Los Angeles, California 90013  
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10  
11 (213) 576-6982

**FILED**  
NOV 10 2004  
DEPARTMENT OF REAL ESTATE



8 DEPARTMENT OF REAL ESTATE  
9 STATE OF CALIFORNIA

10 \* \* \* \* \*

11 To: ) No. H-31478 LA  
12 )  
13 AMAX CAPITAL GROUP, INC., ) ORDER TO DESIST  
14 and DONNA YEAN CHIU CHAO. ) AND REFRAIN  
15 )  
16 )  
17 )  
18 )  
19 )

20 The Real Estate Commissioner of the State of California  
21 has caused an investigation to be made of your activities as a  
22 real estate broker, and based on the findings of that  
23 investigation is of the opinion that AMAX CAPITAL GROUP, INC.,  
24 and DONNA YEAN CHIU CHAO have violated Sections 10145(a),  
25 10161.8, 10240 and 10241 of the Business and Professions Code  
26 (hereinafter Code) as well as Regulations 2752 and 2832 (all  
27 references herein to Regulations refer to the California Code of  
Regulations, Title 10, Chapter 6).

I

That at all times herein mentioned, you, AMAX CAPITAL GROUP, INC., were licensed by the Department of Real Estate of the State of California (hereinafter Department) as a corporate

1 real estate broker and you, DONNA YEAN CHIU CHAO, was licensed as  
2 the designated officer of said corporation.

3 II

4 At all times herein mentioned, you, AMAX CAPITAL GROUP,  
5 INC., and DONNA YEAN CHIU CHAO, on behalf of others in  
6 expectation of compensation engaged in the business, acted in the  
7 capacity of, advertised or assumed to act as a real estate broker  
8 in the State of California within the meaning of Section 10131(d)  
9 of the Code, including soliciting borrowers and lenders and  
10 negotiating loans for real property.

11 III

12 During 2002 and 2003, in connection with the aforesaid  
13 brokerage activities, you, AMAX CAPITAL GROUP, INC., and DONNA  
14 YEAN CHIU CHAO, accepted or received funds from borrowers and  
15 lenders and thereafter made disbursements of such funds.

16 IV

17 In connection with your activities as a real estate  
18 broker, as described above, you, AMAX CAPITAL GROUP, INC., and  
19 DONNA YEAN CHIU CHAO, acted in violation of the Real Estate Law  
20 as follows:

21 (1) Violated Section 10145(a) of the Code and  
22 Regulation 2832 by depositing credit report fees and appraisal  
23 fees into a bank account which was not a trust account.

24 (2) Violated Section 10161.8 and Regulation 2752 by  
25 failing to notify the Department of Real Estate when salespersons  
26 were employed and terminated.

1 (3) You violated Sections 10240 and 10241 of the Code  
2 by failing to disclose to borrowers Mu Zhang and Steven Buchsbaum  
3 that you received a yield spread premium rebate from the lender.  
4

5 NOW, THEREFORE, YOU, AMAX CAPITAL GROUP, INC., AND  
6 DONNA YEAN CHIU CHAO, ARE ORDERED TO DESIST AND REFRAIN from  
7 performing any and all activities for which a real estate broker  
8 license is required until you comply with all provisions of the  
9 Real Estate Law as discussed in this Order.

10 DATED: November 9, 2004.

11  
12 JEFF DAVI  
13 Real Estate Commissioner  
14  
15  
16  


17 cc: Amax Capital Group, Inc.  
18 17890 Castleton St. Suite 398  
19 City of Industry, California 91748

20 Donna Yean Chiu Chao  
21 17890 Castleton St., Suite 398  
22 City of Industry, California 91748

23 JRP:KA  
24  
25  
26  
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